## AMENDED IN SENATE JUNE 22, 2010 AMENDED IN SENATE MAY 24, 2010 AMENDED IN SENATE APRIL 21, 2010 AMENDED IN ASSEMBLY JANUARY 15, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

## ASSEMBLY BILL

No. 1375

## **Introduced by Assembly Member Galgiani**

February 27, 2009

An act to repeal and add Division 19.5 (commencing with Section 185000) amend Section 185024 of the Public Utilities Code, relating to high-speed rail.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1375, as amended, Galgiani. High-speed rail.

Existing law, the California High-Speed Train Act, creates the High-Speed Rail Authority to develop and implement a high-speed train system in the state, with specified powers and duties. Existing law, the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes.

Existing law provides for appointment of an executive director by the authority, who is exempt from civil service and serves at the pleasure of the authority.

This bill, for purposes of managing and administering the ongoing work of the authority in implementing the high-speed train project, would authorize the Governor, upon the recommendation of the AB 1375 -2-

executive director, to appoint up to 6 additional authority employees, exempt from civil service, who would serve in specified positions at the pleasure of the executive director. The bill would require a salary survey to be conducted to determine the maximum compensation for the executive director and additional exempt employees, and would require the salaries to be approved by the Department of Personnel Administration.

This bill would revise and recast these provisions by repealing and reenacting the California High-Speed Train Act. The bill would continue the High-Speed Rail Authority in existence to establish compensation of certain employees of the department, advise the Secretary of Business, Transportation and Housing and the Director of the Department of Railroads concerning high-speed rail matters, and annually adopt a 6-year high-speed train program for submission to the Governor and the Legislature. The bill would create the Department of Railroads within the Business, Transportation and Housing Agency, which would succeed to most of the existing powers and responsibilities of the authority and would be responsible for implementing the high-speed train project. The director of the department would be appointed by the Governor, who would serve at the pleasure of the Governor, and the Governor would be authorized to appoint up to 10 executive employees of the department who would be exempt from civil service and serve at the pleasure of the director. The bill would provide for acquisition and disposition by the department of rights-of-way for the high-speed rail project. The bill would limit the department's authority to use eminent domain to the powers previously granted to the authority in that regard, as specified. The bill would transfer the existing employees of the authority, other than the executive director, to the department. The bill would enact other related provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 185024 of the Public Utilities Code is 2 amended to read:
- 3 185024. (a) The authority shall appoint an executive director,
- 4 exempt from civil service, who shall serve at the pleasure of the
- 5 authority, to administer the affairs of the authority as directed by
- 6 the authority.

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(b) The executive director is exempt from civil service and shall be paid a salary established by the authority and approved by the Department of Personnel Administration. For purposes of managing and administering the ongoing work of the authority in implementing the high-speed train project, the Governor, upon the recommendation of the executive director, may appoint up to six additional employees, exempt from civil service, who shall serve at the pleasure of the executive director. Pursuant to this subdivision, the Governor may appoint employees only for the following positions:

- (1) Chief program manager.
- (2) Regional director.

- (3) Chief financial officer.
- (4) Director of risk management and project controls.
- (c) The compensation of the executive director and the additional employees authorized by subdivision (b) shall be established by the authority, and approved by the Department of Personnel Administration, in an amount that is reasonably necessary, in the discretion of the authority, to attract and hold a person of superior qualifications. The authority shall cause to be conducted, through the use of independent outside advisers, a salary survey to determine the compensation for the positions under this subdivision. The Department of Personnel Administration may, in its discretion, accept a previously completed salary survey that meets the requirements of this subdivision, and shall review the methodology used in the survey. The salary survey shall consider both of the following:
- (1) Other state, regional, and local transportation agencies that are most comparable to the authority and its responsibilities.
  - (2) Other relevant labor pools.

The compensation set by the authority shall not exceed the highest comparable compensation for a position of that type, as determined by the salary survey. Based on the salary survey, these positions shall be paid a salary established by the authority and approved by the Department of Personnel Administration.

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(d) The executive director may, as authorized by the authority, appoint necessary staff to carry out the provisions of this part.

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All matter omitted in this version of the bill appears in the bill as amended in the Senate, May 24, 2010. (JR11)

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